GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:715
ANSWERED ON:04.03.2005
SHORTFALL IN COLLECTION OF CORPORATE TAX
Singh Shri Prabhunath

Will the Minister of FINANCE be pleased to state:

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(a)Whether there is a shortfall of about 40 percent in the collection of corporate and personal income tax during the year; (

(b)If so, the reasons therefor and the steps taken to ensure to achieve targets fixed; and (

(c) The steps taken to recover tax dues from corporate houses?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) The collections under Corporate Income Tax and Personal Income Tax up to 15th February of the current year are 27.11% higher as compared to collections under these Heads during the corresponding period of preceding year.

(b) Does not arise in view of reply to part (a) above.

(c) Apart from legal action for recovery of tax dues as prescribed under the Income Tax Act, the government has taken the following special measures in the current year for recovery of outstanding taxes:

1.Constitution of a Task Force for monitoring and facilitating the efforts of the Income-tax Department towards recovery of arrears.

2.Identification of cases involving substantial amount of arrears which are pending before Commissioners (Appeals) and asking the Commissioners (Appeals) concerned to dispose off such appeals early so that the resultant demand can be collected during the current financial year itself.

3.Requesting ITAT Benches to dispose of high-demand appeals.

4.No. adjournment to be sought by the Departmental Representatives in high-demand appeals and in appeals where stay of demand has been granted, without the prior approval of the Chief Commissioner.

5.Requesting the President of ITAT not to allow stay of demand beyond 180 days as prescribed in section 254 (2A) of the Income-tax Act.

6.Requesting Settlement Commission to dispose off high-demand cases expeditiously.